

Bruner, Cooper & Zuck, Inc.



Stephen M. Bruner, P.E., P.L.S.

Kevan J. Cooper, P.E.

Ronald I. Zuck, P.E., P.L.S.

Consulting Engineers

Structural Engineers

Land Surveyors

188 East Simmons Street • Galesburg, Illinois 61402-1519

September 21, 2000

Illinois Commerce Commission
Leland Building
527 East Capitol Avenue
Springfield, Illinois 62706

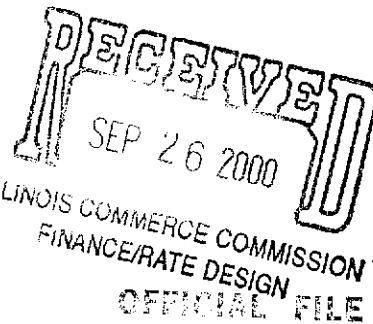
Attention: Mr. Roy King

Subject: Cedar Water Company, Inc.
Our Project No. 199005

Dear Mr. King:

In response to the information requested at the ICC hearing for Cedar Water Company on August 30, 2000, we offer the following:

1. Six inch diameter watermain are proposed for the extension of the Cedar Water System because the existing system consists of four and six inch pipe sizes. The existing system was designed for potable water only and not for fire protection. Due to the size of existing watermain, it would provide no benefit to expand the system with mains greater than six inch diameter. Please also note the IEPA has approved of this design and already issued a construction permit (see attached).
2. The reason for the developer contributing funds towards the upgrade of the 10,000 gallon hydropneumatic tank at the water works is explained in the question and answer narrative (see attached).
3. The total lineal foot and cost of watermain in the existing Cedar Water System is itemized in the water plant utility accounts (see attached).
4. Copies of the Cedar Water general ledger and cash receipts are enclosed.
5. The latest IEPA inspection report along with the response letter to IEPA from Cedar Water is enclosed.
6. Enclosed is a tabulation of bids for the Cedar Water Company extension. Please note the bid items which pertain to watermain construction are under Contract #2.
7. Enclosed please find a cost breakdown for the \$21,700.00 which Cedar Water Company will spend to expand their watermain system.
8. Enclosed is a quotation detailing the proposed \$20,000.00 it will cost to purchase and install the hydropneumatic tank at the Cedar Water plant.



ILL. C. C. DOCKET NO. 00-0455
Staff Exhibit No. 1.02

Witness _____
Date 10-13-00 Reporter gjb

BRUNER, COOPER & ZUCK, INC.
Consulting Engineers, Structural Engineers & Land Surveyors

Mr. Roy King

- 2 -

September 21, 2000

9. An explanation of why Cedar Water will provide the developer with 75% of the gross revenue collected from the project is contained in the question and answer narrative (see attached).
10. An explanation of how Cedar Water will have sufficient funds to cover the proposed expansion without adversely affecting the existing users is detailed in the Water Supply Agreement (see attached).

Also enclosed is a copy of the complete Annual Report from Cedar Water Company to the Illinois Commerce Commission.

Please let me know if you have any questions or require additional information to complete your review of this Petition.

Sincerely,

BRUNER, COOPER & ZUCK, INC.

Handwritten signature of Kevan J. Cooper in cursive script, with the initials "KJ" at the end.

Kevan J. Cooper, P. E.

bl
enc
cc

Mr. George Swing, Cedar Water Company
Mr. Rick Walsh, Nathaniel Group

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ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

1021 N. Grand Avenue East, P.O. Box 19276
Springfield, IL 62794-9276

Division of Public Water Supplies

Telephone 217/782-9470

PUBLIC WATER SUPPLY CONSTRUCTION PERMIT

SUBJECT: CEDAR WATER COMPANY INC (Knox County - 0955150)

Permit Issued to:
Cedar Water Company
383 East Ferris Street
Galesburg, Illinois 61401

PERMIT NUMBER: 1882-FY2000
Proposed Improvement

DATE ISSUED: May 10, 2000
PROJECT LOG NUMBER: 2000-1882

The issuance of this permit is based on plans and specifications prepared by the engineers/architects indicated, and are identified as follows:

FIRM: Weber, Hillemeier & Zuck, Inc.
NUMBER OF PLAN SHEETS: 14
TITLE OF PLANS: "Lawndale Meadows Subdivision"

PROPOSED IMPROVEMENTS:

Approximately 1,356 feet of 6-inch water main

ADDITIONAL CONDITIONS:

1. There are no further conditions to this permit.

RDS:GAZ:tml

CC: Weber, Hillemeier & Zuck, Inc.
Springfield Regional Office
Illinois Commerce Commission

This permit is issued for the construction and/or installation of the public water supply improvements described above, in accordance with the provisions of the "Environmental Protection Act," Title IV, Sections 1 through 17, and Title X, Sections 39 and 40, and is subject to the conditions printed on the reverse side of this page and the ADDITIONAL CONDITIONS printed above.

Roger D. Selburg
by [Signature]
Don Dillenburg, P.E. Roger D. Selburg, P.E.
Acting Manager, Permit Section
Division of Public Water Supplies
RDS
[Signature]

August 1, 2000

Roy King
Illinois Commerce Commission
Leland Building
527 E. Capital Avenue
Springfield, IL 62794

What is the basic overview of the agreement between Nathaniel Group (the Developer) and Cedar Water Co. (the Utility)?

The Agreement, executed on June 20, 2000, provided for the Utility to extend its water distribution infrastructure to a residential subdivision of 17 lots (the Project) on real estate owned by the Nathaniel Group in Lake Bracken, Illinois. The Agreement also provided for Nathaniel Group to advance funds to the Utility for the Improvements with the Utility refunding this advance from the proceeds it receives as customers in the Project connect to the Utility's service.

How many feet of water main extension is proposed and how many lots will this serve?

The Improvements in the Agreement consist of Cedar Water extending its current water system to the 17 individual lots in the Project site. The Improvements comprise about 1400 feet of water main, 2 hydrants and 17 curb stops and boxes.

Why will Nathaniel Group contribute \$21,700 before starting construction?

Early in the development process for this Project, the Utility informed Nathaniel Group that the Utility would not be able to fund or finance the costs to install the Project's necessary Water Improvements. As a result, Nathaniel Group agreed to contribute \$21,700 toward the cost of the Improvements before starting construction. This was done to expedite receiving Knox County approval from as well as approval from Illinois Environmental Protection Agency (IEPA).

Why were competitive bids solicited with the lowest bid being around \$25,000 if the utility company can do their own work for \$21,700?

To determine the costs for the Water Improvements, Nathaniel Group contracted with Weber, Hillemeier & Zuck to design and prepare the specifications and obtained five competitive bids for the Improvements. The low bid from the competitive bidding was just over \$25,000. To lower the Improvement costs, the Utility offered to do a portion of the required Improvement work (the required trenching and backfilling) and to contract the remaining Improvement work with the lowest bidder to perform the remaining Improvement work. After negotiating this approach with the lowest bidder, The Utility estimated that this approach would cost no more than \$21,700.

How much of the water service will be installed by the Utility and what portion will be the responsibility of the individual homeowners?

The Utility will install the water main and curb stops. The home's water service will be provided by others starting from the lot's curb stop to the home. Cedar Water Company will install the water meter and outside reader to the home's service line.

Why will Nathaniel group contribute \$10,000 toward the installation of another 8,000-gallon hydro-pneumatic tank?

Nathaniel Group agreed to contribute \$10,000 toward the installation of another 8,000-gallon hydro-pneumatic tank to insure that the Utility has sufficient service capacity for the Project..

How will the Utility will reimburse the Nathaniel Group?

The Agreement provides for the Utility to begin to reimburse Nathaniel Group's total advances of \$31,700 only after 10 customers have connected to the Utility's service. The Utility is to provide Nathaniel Group with 75% of the gross revenue collected from the Project starting with the first calendar quarter after 10 customers have connected. The reimbursement is to continue for ten years or until the total advances are repaid, whichever occurs first.

The Nathaniel Group expects the Project to have a connection rate of three homes per year. In 1998, the Utility had 56 customers and collected \$16,629 in water bills for an average of \$296.95 per customer per year. The table below shows the reimbursements to using a reimbursement amount of \$220 (approximately 75% of \$296.96) per home and a projected connection rate of three homes per year.

Year	Total Homes Connected	Cedar Water Gross Revenue @ \$220 per Home**	Amt Reimbursed to Nathaniel Group	Total Reimbursed to Nathaniel Group
2000	2	\$0		
2001	5	\$440		
2002	8	\$1,100		
2003	11	\$1,760	\$220	\$220
2004	14	\$2,420	\$880	\$1,100
2005	17	\$3,080	\$1,540	\$2,640
2006	17	\$3,740	\$1,540	\$4,180
2007	17	\$3,740	\$1,540	\$5,720
2008	17	\$3,740	\$1,540	\$7,260
2009	17	\$3,740	\$1,540	\$8,800
2010	17	\$3,740	\$1,540	\$10,340
2011	17	\$3,740	\$1,540	\$11,880
2012	17	\$3,740	\$1,540	\$13,420
2013	17	\$3,740	\$1,540	\$14,960
Total	17		\$14,960	

Note: Gross revenue receipts reflect 12-month lag in the billing/collection of the water bills.

As the table shows, the reimbursement method in the Agreement will not reimburse Nathaniel Group its total advances. Using a reimbursement rate of \$220 per home per year, Nathaniel Group can only recover its advances if 10 homes were connected by the end of year 2001 or in the next sixteen months. As the calculations in the table above show, the Utility also benefits by receiving gross revenues total \$7,250 before beginning to reimburse Nathaniel Group.

How was it determined that the Utility was to provide Nathaniel Group with 75% of the gross revenue collected from the Project starting with the first calendar quarter after 10 customers have connected?

The Utility receives twenty-five percent (25%) of the gross revenue from the Project to offset maintenance costs and any Improvement costs not recovered from Nathaniel Group's advances.

UTILITY NAME					Year of Report
CEDAR WATER COMPANY, INC.,					Dec. 31, 19 99
WATER UTILITY PLANT ACCOUNTS					
Acct. No.	Account Name	Previous Year	Additions	Retirements	Current Year
301	Organization	\$ 1061	\$	\$	\$ 1061
302	Franchises				
303	Land and Land Rights				
304	Structures and Improvements	7750			7750
305	Collecting and Impounding Reservoirs				
306	Lake River and Other Intakes				
307	Wells and Springs	3570			3570
308	Infiltration Galleries and Tunnels				
309	Supply Mains				
310	Power Generation Equipment				
311	Pumping Equipment	13452	3226	1000	15678
320	Water Treatment Equipment	1234			1234
330	Distribution Reservoirs and Standpipes	4169			4169
331	Transmission and Distribution Mains	19602			19602
333	Services	3403			3403
344	Meters and Meter Installations	2121	108		2229
335	Hydrants	1514			1514
339	Other Plant and Miscellaneous Equipment				
340	Office Furniture and Equipment				
341	Transportation Equipment				
342	Stores Equipment				
343	Tools, Shop and Garage Equipment				
344	Laboratory Equipment				
345	Power Operated Equipment				
346	Communication Equipment				
347	Miscellaneous Equipment				
348	Other Tangible Plant				
	Total Water Plant	\$ 62877	\$ 3334	\$ 1000	\$ 65211

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Cedar Water Company, Inc.
General Ledger
As of December 31, 1999

Type	Date	Num	Name	Memo	Split	Amount	Balance
101 - Cash - Checking - 101							3,003.33
Check	1/11/1999	768	Tri-States Water		5130 · Chemic...	-24.36	2,978.97
Check	1/14/1999	769	Il Power Co.	4431774920	5110 · Utilities	-112.37	2,866.60
Check	1/14/1999	770	First Midwest Bank	23341C	2105 · N/P FM...	-517.79	2,348.81
Check	1/22/1999	771	McGladery & Pullen	322226-508-0	5060 · Legal &...	-695.00	1,653.81
Deposit	2/11/1999				4010 · Metere...	1,684.75	3,338.56
Check	2/12/1999	772	First Midwest Bank	23341C	2105 · N/P FM...	-517.79	2,820.77
Check	2/16/1999	773	Il Power Co.	4431774920	5110 · Utilities	-87.46	2,733.31
Deposit	2/25/1999				4010 · Metere...	2,177.00	4,910.31
Check	3/8/1999	775	Treasurer, State of I...	Il Environme...	5140 · Lab Ex...	-604.00	4,306.31
Check	3/8/1999	776	Tri-States Water	Feb&March	5130 · Chemic...	-47.03	4,259.28
Check	3/11/1999	777	First Midwest Bank	23341C	2105 · N/P FM...	-517.79	3,741.49
Check	3/15/1999	778	State of Illinois - De...	1120St - 1998	5510 · State In...	-40.00	3,701.49
Deposit	3/16/1999				4010 · Metere...	356.50	4,057.99
Check	3/17/1999	780	Il Power Co.	4431774920	5110 · Utilities	-95.25	3,962.74
Check	3/31/1999			Service Charge	-SPLIT-	-57.19	3,905.55
Check	3/31/1999	781	US Postal	overnight-rep...	5090 · Office ...	-15.75	3,889.80
Check	4/13/1999	782	Bob Shull	to date	5140 · Lab Ex...	-153.83	3,735.97
Check	4/13/1999	784	Bob Shull	to date	5250 · Subcon...	-300.00	3,435.97
Check	4/15/1999	785	First Midwest Bank	23341C	2105 · N/P FM...	-486.61	2,949.36
Check	4/19/1999	786	Il Power Co.	4431774920	5110 · Utilities	-89.16	2,860.20
Deposit	4/20/1999				4010 · Metere...	131.25	2,991.45
Deposit	4/30/1999				4010 · Metere...	1,695.00	4,686.45
Deposit	5/10/1999				4010 · Metere...	1,945.00	6,631.45
Check	5/14/1999	787	First Midwest Bank	23341C	2105 · N/P FM...	-486.61	6,144.84
Check	5/17/1999	788	Il Power Co.	4431774920	5110 · Utilities	-94.93	6,049.91
Check	5/24/1999	789	Whitney Pump Serv...		311 · Pumping...	-2,500.00	3,549.91
Check	5/31/1999			Service Charge	5260 · Misc Ex...	-6.86	3,543.05
Check	6/2/1999	790	Knox Co Collector	1302302004	5100 · Taxes	-211.96	3,331.09
Deposit	6/9/1999				4010 · Metere...	502.63	3,833.72
Check	6/15/1999	791	First Midwest Bank	23341C	2105 · N/P FM...	-486.61	3,347.11
Check	6/18/1999	792	Il Power Co.	4431774920	5110 · Utilities	-105.48	3,241.63
Check	6/23/1999	793	Tri-States Water		5130 · Chemic...	-61.54	3,180.09
Check	6/23/1999	794	Whitney Pump Serv...		-SPLIT-	-1,043.99	2,136.10
Check	6/30/1999			Service Charge	5260 · Misc Ex...	-0.83	2,135.27
Check	7/13/1999	795	First Midwest Bank	23341C	2105 · N/P FM...	-486.61	1,648.66
Check	7/13/1999	796	Bob Shull	2nd qtr	5250 · Subcon...	-350.00	1,298.66
Check	7/13/1999	797	Bob Shull	reimbursement	5140 · Lab Ex...	-14.90	1,283.76
Check	7/19/1999	798	Il Power Co.	4431774920	5110 · Utilities	-132.94	1,150.82
Check	7/23/1999	799	US Postal	stamps	5090 · Office ...	-33.00	1,117.82
Check	7/30/1999	800	Tri-States Water		5130 · Chemic...	-13.49	1,104.33
Check	7/31/1999			Service Charge	5260 · Misc Ex...	-4.73	1,099.60
Deposit	8/2/1999				4010 · Metere...	1,732.00	2,831.60
Check	8/3/1999	801	McGladery & Pullen	1998 Acctg	5060 · Legal &...	-752.60	2,079.00
Deposit	8/10/1999				4010 · Metere...	1,600.00	3,679.00
Check	8/13/1999	802	First Midwest Bank	23341C	2105 · N/P FM...	-486.61	3,192.39
Check	8/17/1999	803	Il Power Co.	4431774920	5110 · Utilities	-140.56	3,051.83
Check	8/25/1999	804	Tri-States Water		5130 · Chemic...	-16.00	3,035.83
Check	8/31/1999			Service Charge	5260 · Misc Ex...	-7.90	3,027.93
Deposit	9/8/1999				4010 · Metere...	835.00	3,862.93
Check	9/15/1999	805	First Midwest Bank	23341C	2105 · N/P FM...	-486.61	3,376.32
Check	9/15/1999	806	Il Power Co.	4431774920	5110 · Utilities	-137.56	3,238.76
Check	9/30/1999			Service Charge	5260 · Misc Ex...	-10.15	3,228.61
Check	10/11/1999	807	Il Power Co.	4431774920	5110 · Utilities	-145.30	3,083.31
Check	10/13/1999	808	Bob Shull	9/23 billing	5250 · Subcon...	-485.75	2,597.56
Check	10/13/1999	809	Tri-States Water		5130 · Chemic...	-49.61	2,547.95
Check	10/13/1999	810	Whitney Pump Serv...		-SPLIT-	-493.30	2,054.65
Check	10/13/1999	811	First Midwest Bank	23341C	2105 · N/P FM...	-486.61	1,568.04
Deposit	10/22/1999				4010 · Metere...	1,763.50	3,331.54
Check	10/25/1999	812	Holt Supply Co.		5080 · Repairs	-104.10	3,227.44
Check	10/26/1999	813	US Postal	stamps	5090 · Office ...	-33.00	3,194.44
Check	10/31/1999			Service Charge	5260 · Misc Ex...	-4.30	3,190.14
Check	11/10/1999	814	Whitney Pump Serv...		5080 · Repairs	-88.76	3,101.38
Check	11/10/1999	815	Tri-States Water		5130 · Chemic...	-38.23	3,063.15
Check	11/10/1999	816	Il Power Co.	4431774920	5110 · Utilities	-94.38	2,968.77
Check	11/10/1999	817	First Midwest Bank	23341C	2105 · N/P FM...	-486.61	2,482.16
Check	11/16/1999	818	Dan Swing	loan for dan's...	2011 · A/P Sw...	-1,000.00	1,482.16
Deposit	11/29/1999				4010 · Metere...	1,905.00	3,387.16

09/20/00

Cedar Water Company, Inc.
General Ledger
As of December 31, 1999

Type	Date	Num	Name	Memo	Split	Amount	Balance
Check	11/30/1999			Service Charge	5260 · Misc Ex...	-7.38	3,379.78
Check	12/6/1999	819	IL Commerce Com...	1994-1998 R...	5060 · Legal &...	-86.37	3,293.41
Check	12/15/1999	820	First Midwest Bank	23341C	2105 · N/P FM...	-486.61	2,806.80
Check	12/16/1999	821	IL Power Co.	4431774920	5110 · Utilities	-103.93	2,702.87
Check	12/20/1999	822	First Midwest Bank	reinstatement...	5230 · License...	-154.75	2,548.12
Check	12/31/1999			Service Charge	5260 · Misc Ex...	-6.26	2,541.86
Total 101 · Cash - Checking - 101						-461.47	2,541.86
201 · Land							5,000.00
Total 201 · Land							5,000.00
300 · Well							57,876.51
301 · Organization							1,061.00
Total 301 · Organization							1,061.00
304 · Structures & Improvements							7,750.00
Total 304 · Structures & Improvements							7,750.00
307 · Wells & Springs							3,569.82
Total 307 · Wells & Springs							3,569.82
311 · Pumping Equipment							13,451.48
Check	5/24/1999	789	Whitney Pump Serv...	new pump m...	101 · Cash - C...	2,500.00	15,951.48
Check	6/23/1999	794	Whitney Pump Serv...	new pump m...	101 · Cash - C...	725.99	16,677.47
Total 311 · Pumping Equipment						3,225.99	16,677.47
320 · Water Treatment Equipment							1,234.00
Total 320 · Water Treatment Equipment							1,234.00
330 · Dist. Reservoirs & Pipes							4,169.00
Total 330 · Dist. Reservoirs & Pipes							4,169.00
331 · Transmission & Dist Mains							19,602.38
Total 331 · Transmission & Dist Mains							19,602.38
333 · Services							3,403.83
Total 333 · Services							3,403.83
334 · Meters & Meter Installations							2,121.00
Check	10/13/1999	810	Whitney Pump Serv...	install new re...	101 · Cash - C...	108.00	2,229.00
Total 334 · Meters & Meter Installations						108.00	2,229.00
335 · Hydrants							1,514.00
Total 335 · Hydrants							1,514.00
Total 300 · Well						3,333.99	61,210.50
800 · XX - Accumulated Depreciation							-5,048.00
801 · A/D Plant							-5,048.00
General ...	12/31/1999	aje 1		99 deprec	5290 · Depreci...	-1,157.00	-6,205.00
Total 801 · A/D Plant						-1,157.00	-6,205.00
Total 800 · XX - Accumulated Depreciation						-1,157.00	-6,205.00
150 · Accounts Receivable							34.00
Total 150 · Accounts Receivable							34.00
2011 · A/P Swing's Mobile Estates							-5,476.00
Check	11/16/1999	818	Dan Swing	loan for dan's...	101 · Cash - C...	1,000.00	-4,476.00
General ...	12/31/1999	je 2		1999 labor to...	5250 · Subcon...	-1,700.00	-6,176.00

09/20/00

Cedar Water Company, Inc.
General Ledger
As of December 31, 1999

Type	Date	Num	Name	Memo	Split	Amount	Balance
Total 2011 · A/P Swing's Mobile Estates						-700.00	-6,176.00
2105 · N/P FMWB - Purchase Loan							-20,757.40
Check	1/14/1999	770	First Midwest Bank	23341C	101 · Cash - C...	517.79	-20,239.61
Check	2/12/1999	772	First Midwest Bank	23341C	101 · Cash - C...	517.79	-19,721.82
Check	3/11/1999	777	First Midwest Bank	23341C	101 · Cash - C...	517.79	-19,204.03
Check	4/15/1999	785	First Midwest Bank	23341C	101 · Cash - C...	486.61	-18,717.42
Check	5/14/1999	787	First Midwest Bank	23341C	101 · Cash - C...	486.61	-18,230.81
Check	6/15/1999	791	First Midwest Bank	23341C	101 · Cash - C...	486.61	-17,744.20
Check	7/13/1999	795	First Midwest Bank	23341C	101 · Cash - C...	486.61	-17,257.59
Check	8/13/1999	802	First Midwest Bank	23341C	101 · Cash - C...	486.61	-16,770.98
Check	9/15/1999	805	First Midwest Bank	23341C	101 · Cash - C...	486.61	-16,284.37
Check	10/13/1999	811	First Midwest Bank	23341C	101 · Cash - C...	486.61	-15,797.76
Check	11/10/1999	817	First Midwest Bank	23341C	101 · Cash - C...	486.61	-15,311.15
Check	12/15/1999	820	First Midwest Bank	23341C	101 · Cash - C...	486.61	-14,824.54
General ...	12/31/1999	je1		record int on l...	5070 · Interest...	-1,672.31	-16,496.85
Total 2105 · N/P FMWB - Purchase Loan						4,260.55	-16,496.85
2110 · Due to George Swing							-8,323.24
Total 2110 · Due to George Swing							-8,323.24
3000 · Opening Bal Equity / R.E.							-11,143.01
Total 3000 · Opening Bal Equity / R.E.							-11,143.01
3900 · Retained Earnings							-13,166.19
Total 3900 · Retained Earnings							-13,166.19
3980 · Common Stock							-2,000.00
Total 3980 · Common Stock							-2,000.00
4010 · Metered Water Revenues							0.00
Deposit	2/11/1999				101 · Cash - C...	-1,684.75	-1,684.75
Deposit	2/25/1999				101 · Cash - C...	-2,177.00	-3,861.75
Deposit	3/16/1999				101 · Cash - C...	-356.50	-4,218.25
Deposit	4/20/1999				101 · Cash - C...	-131.25	-4,349.50
Deposit	4/30/1999				101 · Cash - C...	-1,695.00	-6,044.50
Deposit	5/10/1999				101 · Cash - C...	-1,945.00	-7,989.50
Deposit	6/9/1999				101 · Cash - C...	-502.63	-8,492.13
Deposit	8/2/1999				101 · Cash - C...	-1,732.00	-10,224.13
Deposit	8/10/1999				101 · Cash - C...	-1,600.00	-11,824.13
Deposit	9/8/1999				101 · Cash - C...	-835.00	-12,659.13
Deposit	10/22/1999				101 · Cash - C...	-1,763.50	-14,422.63
Deposit	11/29/1999				101 · Cash - C...	-1,905.00	-16,327.63
Total 4010 · Metered Water Revenues						-16,327.63	-16,327.63
5030 · Maintenance							0.00
Check	6/23/1999	794	Whitney Pump Serv...		101 · Cash - C...	318.00	318.00
Total 5030 · Maintenance						318.00	318.00
5060 · Legal & Professional							0.00
Check	1/22/1999	771	McGladery & Pullen	322226-508-0	101 · Cash - C...	695.00	695.00
Check	8/3/1999	801	McGladery & Pullen	1998 Acctg	101 · Cash - C...	752.60	1,447.60
Check	12/6/1999	819	IL Commerce Com...	1994-1998 R...	101 · Cash - C...	86.37	1,533.97
Total 5060 · Legal & Professional						1,533.97	1,533.97
5070 · Interest Expense							0.00
General ...	12/31/1999	je1		record int on l...	2105 · N/P FM...	1,672.31	1,672.31
Total 5070 · Interest Expense						1,672.31	1,672.31
5080 · Repairs							0.00
Check	10/13/1999	810	Whitney Pump Serv...	repair meters	101 · Cash - C...	234.40	234.40
Check	10/13/1999	810	Whitney Pump Serv...	repair readers	101 · Cash - C...	150.90	385.30
Check	10/25/1999	812	Holt Supply Co.		101 · Cash - C...	104.10	489.40
Check	11/10/1999	814	Whitney Pump Serv...	new pump m...	101 · Cash - C...	88.76	578.16

09/20/00

Cedar Water Company, Inc.
General Ledger
As of December 31, 1999

Type	Date	Num	Name	Memo	Split	Amount	Balance
Total 5080 · Repairs						578.16	578.16
5090 · Office Supplies							0.00
Check	3/31/1999	781	US Postal	overnight-rep...	101 · Cash - C...	15.75	15.75
Check	7/23/1999	799	US Postal	stamps	101 · Cash - C...	33.00	48.75
Check	10/26/1999	813	US Postal	stamps	101 · Cash - C...	33.00	81.75
Total 5090 · Office Supplies						81.75	81.75
5100 · Taxes							0.00
Check	6/2/1999	790	Knox Co Collector	1302302004	101 · Cash - C...	211.96	211.96
Total 5100 · Taxes						211.96	211.96
5110 · Utilities							0.00
Check	1/14/1999	769	II Power Co.	4431774920	101 · Cash - C...	112.37	112.37
Check	2/16/1999	773	II Power Co.	4431774920	101 · Cash - C...	87.46	199.83
Check	3/17/1999	780	II Power Co.	4431774920	101 · Cash - C...	95.25	295.08
Check	4/19/1999	786	II Power Co.	4431774920	101 · Cash - C...	89.16	384.24
Check	5/17/1999	788	II Power Co.	4431774920	101 · Cash - C...	94.93	479.17
Check	6/18/1999	792	II Power Co.	4431774920	101 · Cash - C...	105.48	584.65
Check	7/19/1999	798	II Power Co.	4431774920	101 · Cash - C...	132.94	717.59
Check	8/17/1999	803	II Power Co.	4431774920	101 · Cash - C...	140.56	858.15
Check	9/15/1999	806	II Power Co.	4431774920	101 · Cash - C...	137.56	995.71
Check	10/11/1999	807	II Power Co.	4431774920	101 · Cash - C...	145.30	1,141.01
Check	11/10/1999	816	II Power Co.	4431774920	101 · Cash - C...	94.38	1,235.39
Check	12/16/1999	821	II Power Co.	4431774920	101 · Cash - C...	103.93	1,339.32
Total 5110 · Utilities						1,339.32	1,339.32
5130 · Chemicals							0.00
Check	1/11/1999	768	Tri-States Water		101 · Cash - C...	24.36	24.36
Check	3/8/1999	776	Tri-States Water	Feb&March	101 · Cash - C...	47.03	71.39
Check	6/23/1999	793	Tri-States Water		101 · Cash - C...	61.54	132.93
Check	7/30/1999	800	Tri-States Water		101 · Cash - C...	13.49	146.42
Check	8/25/1999	804	Tri-States Water		101 · Cash - C...	16.00	162.42
Check	10/13/1999	809	Tri-States Water		101 · Cash - C...	49.61	212.03
Check	11/10/1999	815	Tri-States Water		101 · Cash - C...	38.23	250.26
Total 5130 · Chemicals						250.26	250.26
5140 · Lab Expense							0.00
Check	3/8/1999	775	Treasurer, State of I...	II Environme...	101 · Cash - C...	604.00	604.00
Check	4/13/1999	782	Bob Shull	to date	101 · Cash - C...	153.83	757.83
Check	7/13/1999	797	Bob Shull	reimbursement	101 · Cash - C...	14.90	772.73
Total 5140 · Lab Expense						772.73	772.73
5230 · License & Permits							0.00
Check	12/20/1999	822	First Midwest Bank	reinstatement...	101 · Cash - C...	154.75	154.75
Total 5230 · License & Permits						154.75	154.75
5250 · Subcontractors Expense							0.00
Check	4/13/1999	784	Bob Shull	to date	101 · Cash - C...	300.00	300.00
Check	7/13/1999	796	Bob Shull	2nd qtr	101 · Cash - C...	350.00	650.00
Check	10/13/1999	808	Bob Shull	9/23 billing	101 · Cash - C...	485.75	1,135.75
General ...	12/31/1999	je 2		1999 labor to...	2011 · A/P Sw...	1,700.00	2,835.75
Total 5250 · Subcontractors Expense						2,835.75	2,835.75
5260 · Misc Expense							0.00
Check	3/31/1999			loan docume...	101 · Cash - C...	50.00	50.00
Check	3/31/1999			maint.fee	101 · Cash - C...	7.19	57.19
Check	5/31/1999			Service Charge	101 · Cash - C...	6.86	64.05
Check	6/30/1999			Service Charge	101 · Cash - C...	0.83	64.88
Check	7/31/1999			Service Charge	101 · Cash - C...	4.73	69.61
Check	8/31/1999			Service Charge	101 · Cash - C...	7.90	77.51
Check	9/30/1999			Service Charge	101 · Cash - C...	10.15	87.66
Check	10/31/1999			Service Charge	101 · Cash - C...	4.30	91.96
Check	11/30/1999			Service Charge	101 · Cash - C...	7.38	99.34
Check	12/31/1999			Service Charge	101 · Cash - C...	6.26	105.60

09/20/00

Cedar Water Company, Inc.
General Ledger
As of December 31, 1999

Type	Date	Num	Name	Memo	Split	Amount	Balance
Total 5260 · Misc Expense						105.60	105.60
5290 · Depreciation Expense							0.00
General ...	12/31/1999	aje 1		99 deprec	801 · A/D Plant	1,157.00	1,157.00
Total 5290 · Depreciation Expense						1,157.00	1,157.00
5510 · State Income Tax Expense							0.00
Check	3/15/1999	778	State of Illinois - De...	1120St - 1998	101 · Cash - C...	40.00	40.00
Total 5510 · State Income Tax Expense						40.00	40.00
TOTAL						0.00	0.00

09/13/00

Cedar Water Company, Inc.

Check Register

January through December 1999

Type	Date	Num	Name	Account	Amount
Jan - Dec '99					
Check	1/11/1999	768	Tri-States Water	5130 · Chemicals	24.36
Check	1/14/1999	769	Il Power Co.	5110 · Utilities	112.37
Check	1/14/1999	770	First Midwest Bank	2105 · N/P FMWB - Pur...	517.79
Check	1/22/1999	771	McGladery & Pullen	5060 · Legal & Professi...	695.00
Check	2/12/1999	772	First Midwest Bank	2105 · N/P FMWB - Pur...	517.79
Check	2/16/1999	773	Il Power Co.	5110 · Utilities	87.46
Check	3/8/1999	775	Treasurer, State of Illinois	5140 · Lab Expense	604.00
Check	3/8/1999	776	Tri-States Water	5130 · Chemicals	47.03
Check	3/11/1999	777	First Midwest Bank	2105 · N/P FMWB - Pur...	517.79
Check	3/15/1999	778	State of Illinois - Dept. o...	5510 · State Income Ta...	40.00
Check	3/17/1999	780	Il Power Co.	5110 · Utilities	95.25
Check	3/31/1999	781	US Postal	5090 · Office Supplies	15.75
Check	3/31/1999			5260 · Misc Expense	50.00
Check	3/31/1999			5260 · Misc Expense	7.19
Check	4/13/1999	782	Bob Shull	5140 · Lab Expense	153.83
Check	4/13/1999	784	Bob Shull	5250 · Subcontractors E...	300.00
Check	4/15/1999	785	First Midwest Bank	2105 · N/P FMWB - Pur...	486.61
Check	4/19/1999	786	Il Power Co.	5110 · Utilities	89.16
Check	5/14/1999	787	First Midwest Bank	2105 · N/P FMWB - Pur...	486.61
Check	5/17/1999	788	Il Power Co.	5110 · Utilities	94.93
Check	5/24/1999	789	Whitney Pump Service	311 · Pumping Equipment	2,500.00
Check	5/31/1999			5260 · Misc Expense	6.86
Check	6/2/1999	790	Knox Co Collector	5100 · Taxes	211.96
Check	6/15/1999	791	First Midwest Bank	2105 · N/P FMWB - Pur...	486.61
Check	6/18/1999	792	Il Power Co.	5110 · Utilities	105.48
Check	6/23/1999	794	Whitney Pump Service	5030 · Maintenance	318.00
Check	6/23/1999	793	Tri-States Water	5130 · Chemicals	61.54
Check	6/23/1999	794	Whitney Pump Service	311 · Pumping Equipment	725.99
Check	6/30/1999			5260 · Misc Expense	0.83
Check	7/13/1999	797	Bob Shull	5140 · Lab Expense	14.90
Check	7/13/1999	796	Bob Shull	5250 · Subcontractors E...	350.00
Check	7/13/1999	795	First Midwest Bank	2105 · N/P FMWB - Pur...	486.61
Check	7/19/1999	798	Il Power Co.	5110 · Utilities	132.94
Check	7/23/1999	799	US Postal	5090 · Office Supplies	33.00
Check	7/30/1999	800	Tri-States Water	5130 · Chemicals	13.49
Check	7/31/1999			5260 · Misc Expense	4.73
Check	8/3/1999	801	McGladery & Pullen	5060 · Legal & Professi...	752.60
Check	8/13/1999	802	First Midwest Bank	2105 · N/P FMWB - Pur...	486.61
Check	8/17/1999	803	Il Power Co.	5110 · Utilities	140.56
Check	8/25/1999	804	Tri-States Water	5130 · Chemicals	16.00
Check	8/31/1999			5260 · Misc Expense	7.90
Check	9/15/1999	806	Il Power Co.	5110 · Utilities	137.56
Check	9/15/1999	805	First Midwest Bank	2105 · N/P FMWB - Pur...	486.61
Check	9/30/1999			5260 · Misc Expense	10.15
Check	10/11/1999	807	Il Power Co.	5110 · Utilities	145.30
Check	10/13/1999	810	Whitney Pump Service	5080 · Repairs	234.40
Check	10/13/1999	810	Whitney Pump Service	5080 · Repairs	150.90
Check	10/13/1999	809	Tri-States Water	5130 · Chemicals	49.61
Check	10/13/1999	808	Bob Shull	5250 · Subcontractors E...	485.75
Check	10/13/1999	810	Whitney Pump Service	334 · Meters & Meter In...	108.00
Check	10/13/1999	811	First Midwest Bank	2105 · N/P FMWB - Pur...	486.61
Check	10/25/1999	812	Holt Supply Co.	5080 · Repairs	104.10
Check	10/26/1999	813	US Postal	5090 · Office Supplies	33.00
Check	10/31/1999			5260 · Misc Expense	4.30
Check	11/10/1999	814	Whitney Pump Service	5080 · Repairs	88.76
Check	11/10/1999	816	Il Power Co.	5110 · Utilities	94.38
Check	11/10/1999	815	Tri-States Water	5130 · Chemicals	38.23
Check	11/10/1999	817	First Midwest Bank	2105 · N/P FMWB - Pur...	486.61
Check	11/16/1999	818	Dan Swing	2011 · A/P Swing's Mobi...	1,000.00
Check	11/30/1999			5260 · Misc Expense	7.38
Check	12/6/1999	819	IL Commerce Commissi...	5060 · Legal & Professi...	86.37
Check	12/15/1999	820	First Midwest Bank	2105 · N/P FMWB - Pur...	486.61
Check	12/16/1999	821	Il Power Co.	5110 · Utilities	103.93
Check	12/20/1999	822	First Midwest Bank	5230 · License & Permits	154.75
Check	12/31/1999			5260 · Misc Expense	6.26
Jan - Dec '99					<u>16,789.10</u>

09/13/00

Cedar Water Company, Inc.
Cash Deposits
January through December 1999

Type	Date	Num	Name	Account	Amount
Jan - Dec '99					
Deposit	2/11/1999			4010 · Metered Water R...	-1,684.75 ✓
Deposit	2/25/1999			4010 · Metered Water R...	-2,177.00 ✓
Deposit	3/16/1999			4010 · Metered Water R...	-356.50 ✓
Deposit	4/20/1999			4010 · Metered Water R...	-131.25 ✓
Deposit	4/30/1999			4010 · Metered Water R...	-1,695.00 ✓
Deposit	5/10/1999			4010 · Metered Water R...	-1,945.00 ✓
Deposit	6/9/1999			4010 · Metered Water R...	-502.63 ✓
Deposit	8/2/1999			4010 · Metered Water R...	-1,732.00 ✓
Deposit	8/10/1999			4010 · Metered Water R...	-1,600.00 ✓
Deposit	9/8/1999			4010 · Metered Water R...	-835.00 ✓
Deposit	10/22/1999			4010 · Metered Water R...	-1,763.50 ✓
Deposit	11/29/1999			4010 · Metered Water R...	-1,905.00 ✓
Jan - Dec '99					<u>-16,327.63</u>

70-2140/711

DEPOSIT HICKEI

CEDAR WATER CO.

CEDAR WATER CO.



First Midwest Bank
Galesburg, Illinois 61401



First Midwest Bank
Galesburg, Illinois 61401

DATE 2-11-99

CURRENCY	COIN	CHECKS LIST EACH SEPARATELY	DOLLARS	CENTS
		5515 Gary Roggenkamp	99	75
		3071 ED Peterka	15	00
		3071 Marian Mundy	20	00
		1985 Lance Allen	30	00
		3508 Tony Zelo	50	00
		3705 Clyde Quatman	55	00
		3623 Ted Schooley	60	00
		4202 W.J. Johansen	60	00
		3847 James Thompson	65	00
		3550 Paul Sandberg	65	00
		3397 Kenneth King	65	00
		5800 DEAN TESSIER	75	00
		6053 Doni Miner	75	00
		5515 Natalie Hemmer	90	00
		3071 Carlo Schack	90	00
		6016 John Hutchinson	95	00
		5501 Ole Hagen	100	00
		3446 Frank Rogers	115	00
		3446 Fred Erickson	145	00
		3422 Robt Becken	155	00
		5157 Gary Tardyle	160	00
		TOTAL FROM OTHER SIDE OR ATTACHED LIST		
		PLEASE REENTER TOTAL HERE		
		TOTAL \$1,684.75		

Checks and other items are received for deposit subject to the provisions of the Uniform Commercial Code or any applicable collection agreement.

DATE 2-25-99

CURRENCY	COIN	CHECKS LIST EACH SEPARATELY	DOLLARS	CENTS
		3341 Matt Poque	30	00
		3382 Matt Poque	75	00
		1100 Bryan White	40	00
		6061 Marvin Palmer	53	50
		2538 Mrs Don Williamson	55	00
		2015 Mary Buryard	60	00
		1007 Dysti Watson	60	00
		1100 Eric Olson	60	00
		6188 La Yonne Abel	65	00
		4282 Robt Seibert	65	00
		1700 Blaine Cochran	65	00
		5503 Gary Roggenkamp	65	00
		2538 Don Mills	75	00
		1114 Richard White	75	00
		3341 Tom Glasnovich	115	00
		2111 Peggy Glavas	120	00
		5053 Richard Simmons	120	00
		9004 Mike Guman	125	00
		2100 Robt McKee	135	00
		5656 Mike Hasselbacher	135	00
		21 David Milligan	150	00
		DAVID Wehrlein	115	00
		ED Konecky	120	00
		Steve Bates	105	00
		Karen Lovett	94	50
		TOTAL FROM OTHER SIDE OR ATTACHED LIST		
		PLEASE REENTER TOTAL HERE		
		TOTAL \$2,177.00		

Checks and other items are received for deposit subject to the provisions of the Uniform Commercial Code or any applicable collection agreement.



First Midwest Bank
Galesburg, Illinois 61401

DATE 3-16-99

CURRENCY	COIN	CHECKS LIST EACH SEPARATELY	DOLLARS	CENTS
		5195 Deb Smith	55	00
		2025 Debra Henry	60	00
		4000 Richard Morgan	68	25
		2405 Steve Ward	73	50
		5104 Steve Johnson	79	75
		TOTAL FROM OTHER SIDE OR ATTACHED LIST		
		PLEASE REENTER TOTAL HERE		
		TOTAL \$356.50		

Checks and other items are received for deposit subject to the provisions of the Uniform Commercial Code or any applicable collection agreement.

Galesburg, Illinois 61401

4-20-99

DOLLARS	CENTS
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COIN

CHECKS LIST EACH SEPARATELY

1496	Beth Jacobson	21.	00
12972	Carla Randall	110.	75

DEPOSITS MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL

TOTAL
DEPOSIT

TOTAL FROM OTHER SIDE
OR ATTACHED LIST

PLEASE
RE-ENTER
TOTAL HERE

TOTAL

131-25

Checks and other items are received for deposit subject to the provisions of the Uniform Commercial Code or any applicable collection agreement.

Galesburg, Illinois 61401

4-30-99

DOLLARS	CENTS
---------	-------

COIN

CHECKS LIST EACH SEPARATELY

3129	ED Peterka	15.	00
6306	Marvin Palmer	25.	00
588	Richard White	25.	00
3584	Matt Poque	30.	00
7048	Mrs Don Williamson	55.	00
2360	Paul Sandborg	55.	00
3649	Ted Schooley	55.	00
2011	Delores Henry	60.	00
2512	Steve Way	60.	00
4482	Robt Seibert	60.	00
10120	Dusti Watson	60.	00
4317	W.J. Johansen	65.	00
2582	Donna Miles	65.	00
4049	Kenneth King	65.	00
39015	James Thompson	70.	00
3584	Matt. Poque	70.	00
7042	Donni Mihner	75.	00
5716	Dean Tessier	90.	00
66120	John Hutchison	95.	00
1094520	Frank Rogers	115.	00
475	Robt Becker	150.	00
344	Fred Erickson	150.	00
3381	Gary Icenogle	185.	00

DATE	DESCRIPTION	AMOUNT	BALANCE
1/1/20	OPENING BALANCE		100.00
1/15/20	DEPOSIT	50.00	150.00
2/1/20	WITHDRAWAL	25.00	125.00
2/15/20	DEPOSIT	75.00	200.00
3/1/20	WITHDRAWAL	30.00	170.00
3/15/20	DEPOSIT	40.00	210.00
4/1/20	WITHDRAWAL	15.00	195.00
4/15/20	DEPOSIT	60.00	255.00
5/1/20	WITHDRAWAL	20.00	235.00
5/15/20	DEPOSIT	80.00	315.00
6/1/20	WITHDRAWAL	10.00	305.00
6/15/20	DEPOSIT	90.00	395.00
7/1/20	WITHDRAWAL	45.00	350.00
7/15/20	DEPOSIT	55.00	405.00
8/1/20	WITHDRAWAL	35.00	370.00
8/15/20	DEPOSIT	65.00	435.00
9/1/20	WITHDRAWAL	25.00	410.00
9/15/20	DEPOSIT	70.00	480.00
10/1/20	WITHDRAWAL	15.00	465.00
10/15/20	DEPOSIT	85.00	550.00
11/1/20	WITHDRAWAL	40.00	510.00
11/15/20	DEPOSIT	95.00	605.00
12/1/20	WITHDRAWAL	30.00	575.00
12/15/20	DEPOSIT	60.00	635.00
1/1/21	WITHDRAWAL	20.00	615.00
1/15/21	DEPOSIT	75.00	690.00
2/1/21	WITHDRAWAL	15.00	675.00
2/15/21	DEPOSIT	80.00	755.00
3/1/21	WITHDRAWAL	35.00	720.00
3/15/21	DEPOSIT	90.00	810.00
4/1/21	WITHDRAWAL	25.00	785.00
4/15/21	DEPOSIT	65.00	850.00
5/1/21	WITHDRAWAL	15.00	835.00
5/15/21	DEPOSIT	70.00	905.00
6/1/21	WITHDRAWAL	40.00	865.00
6/15/21	DEPOSIT	85.00	950.00
7/1/21	WITHDRAWAL	30.00	920.00
7/15/21	DEPOSIT	60.00	980.00
8/1/21	WITHDRAWAL	20.00	960.00
8/15/21	DEPOSIT	75.00	1035.00
9/1/21	WITHDRAWAL	15.00	1020.00
9/15/21	DEPOSIT	80.00	1100.00
10/1/21	WITHDRAWAL	35.00	1065.00
10/15/21	DEPOSIT	95.00	1160.00
11/1/21	WITHDRAWAL	25.00	1135.00
11/15/21	DEPOSIT	65.00	1200.00
12/1/21	WITHDRAWAL	15.00	1185.00
12/15/21	DEPOSIT	70.00	1255.00
1/1/22	WITHDRAWAL	40.00	1215.00
1/15/22	DEPOSIT	85.00	1300.00
2/1/22	WITHDRAWAL	30.00	1270.00
2/15/22	DEPOSIT	60.00	1330.00
3/1/22	WITHDRAWAL	20.00	1310.00
3/15/22	DEPOSIT	75.00	1385.00
4/1/22	WITHDRAWAL	15.00	1370.00
4/15/22	DEPOSIT	80.00	1450.00
5/1/22	WITHDRAWAL	35.00	1415.00
5/15/22	DEPOSIT	90.00	1505.00
6/1/22	WITHDRAWAL	25.00	1480.00
6/15/22	DEPOSIT	65.00	1545.00
7/1/22	WITHDRAWAL	15.00	1530.00
7/15/22	DEPOSIT	70.00	1600.00
8/1/22	WITHDRAWAL	40.00	1560.00
8/15/22	DEPOSIT	85.00	1645.00
9/1/22	WITHDRAWAL	30.00	1615.00
9/15/22	DEPOSIT	60.00	1675.00
10/1/22	WITHDRAWAL	20.00	1655.00
10/15/22	DEPOSIT	75.00	1730.00
11/1/22	WITHDRAWAL	15.00	1715.00
11/15/22	DEPOSIT	80.00	1795.00
12/1/22	WITHDRAWAL	35.00	1760.00
12/15/22	DEPOSIT	95.00	1855.00
1/1/23	WITHDRAWAL	25.00	1830.00
1/15/23	DEPOSIT	65.00	1895.00
2/1/23	WITHDRAWAL	15.00	1880.00
2/15/23	DEPOSIT	70.00	1950.00
3/1/23	WITHDRAWAL	40.00	1910.00
3/15/23	DEPOSIT	85.00	1995.00
4/1/23			

TOTAL FROM OTHER SIDE
OR ATTACHED LIST

PLEASE
RE-ENTER
TOTAL HERE

TOTAL

Checks and other items are received for deposit subject to the provisions of the Uniform Commercial Code or any applicable collection agreement.



Galesburg, Illinois 61401

5-10-99

2014	2013
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CURRENCY

COIN

CHECKS LIST EACH SEPARATELY.

CHECKS LIST EACH SEPARATELY.		
1422	Irvin Jacobson	15.00
837	Marian Mundy	25.60
1879	Tony Zefo	35.00
8008	Cycle Quarterman	55.00
5062	Mary Bufand	60.00
1103	Olson Packaging	60.00
1787	Kerry Weaver	65.00
5588	Gary Reinkenamp	65.00
2215	Robt Noble	70.00
2027	Lance Aten	75.00
1715	Blaine Gorham	80.00
1337	Raren Lovett	85.00
751	Barb Schock	95.00
581	Natalie Hemmerl	105.00
545	Tom Glasnovich	110.00
3512	GEO GLAVAS	115.00
8617	Steve Bates	120.00
911	Mike Gumm	125.00
551	Richard Simmons	130.00
5612	Mike Hasselbacher	130.00
6020	DAVE Wehrwein	135.00
1447	David Milligan	190.00

TOTAL
DEPOSIT

TOTAL FROM OTHER SIDE
OR ATTACHED LIST

PLEASE
RE-ENTER
TOTAL HRS

TOTAL

Checks and other items are received for deposit subject to the provisions of the Uniform Commercial Code or any applicable collection agreement.

CEDAR WATER CO.

CEDAR WATER CO., INC.

**First Midwest Bank**

Calensburg, Illinois 61401

**First Midwest Bank**

Galesburg, Illinois 61401



First Midwest Bank

Galzburg, Illinois 61401

	CURRENCY	DOLLARS	CENTS
DATE	0-9-49		
COIN			
CHECKS LIST EACH SEPARATELY			
6185 LA Vonne Abel	60.00		
5879 E D Kowalski	125.00		
4150 Richard Morgan	68.25		
1022 Terry Clark	249.38		
(July 1 Oct Jan / April)			
TOTAL FROM OTHER SIDE OR ATTACHED LIST			
PLEASE RE-ENTER TOTAL HERE			
TOTAL \$	502.	63	

REPORTS MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL

TOTAL DEPOSIT

Checks and other items are received for deposit subject to the provisions of the Uniform Commercial Code or any applicable collection agreement.

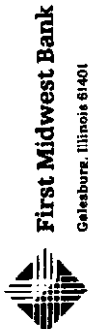
DATE		CURRENCY	CHECKS LIST EACH SEPARATELY	COIN	DOLLARS	CENTS
2118	8-2-99		Starway		80.	00
2119			Johnson Invest.		84.	00
2120			Ed Peterla		15.	00
2121			Clarence Johnson		50.	00
2122			Don Williamson		50.	00
2123			Ed Schoolley		55.	00
2124			Paul Sandberg		55.	00
2125			Paul and Kantha		63.	00
2126			Richard Morgan		65.	00
2127			Donna Miles		65.	00
2128			James Thompson		65.	00
2129			Richard White		75.	00
2130			Natalie Hemmer		70.	00
2131			John Hutchison		95.	00
2132			Dean Cossier		95.	00
2133			Kevin Lovett		105.	00
2134			Mike Hasselbrader		110.	00
2135			Frank Rogers		115.	00
2136			Tom Glasnovic		120.	00
2137			Gary Janogh		140.	00
2138			Fred Erickson		140.	00
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Checks and other items are received for deposit
subject to the provisions of the Uniform Commercial
Code or any applicable collection agreement.

DATE	CURRENCY	DOLLARS	CENTS
8-10-99		\$ 20.	00
	COIN		
CHECKS LIST EACH SEPARATELY.			
1039	Dusti Watson	50.	00
M.O	Paul Hansen	15.	00
149	Elnorborn Jacobson	30.	00
65	La Vonne Abel	40.	00
195	Louie Zeffe	50.	00
18	Blaire Corham	50.	00
19	Bryan White	55.	00
7109	Dani Mizea	65.	00
63	Marvin Palmer	65.	00
226	Robert McKee	65.	00
2210	Olson Packaging	60.	00
2210	Delores Henry	70.	00
0450	Robert Seibert	75.	00
0401	Kenneth King	75.	00
2003	Lance Aben	95.	00
033	Mike Gynn	100.	00
612	Carol Eberwein	125.	00
619	David Wehtwein	170.	00
2002	Robert Becker	205.	00
2002	Matt Pogutz	60.	00
21	Rose Burand		
22			
23			
24			
25			
26			
27			
TOTAL FROM OTHER SIDE OR ATTACHED LIST			
TOTAL DEPOSIT			
TOTAL HERE		\$ 1,600.	00

Checks and other items are received for deposit subject to the provisions of the Uniform Commercial Code or any applicable collection agreement.

CEDAR WATER CO.



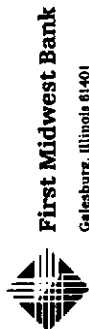
First Midwest Bank
Galesburg, Illinois 61401

DATE 9-8-99

CURRENCY	COIN	CHECKS LIST EACH SEPARATELY	DOLLARS	CENTS
		Clude Quateman	45.00	
		Steve Johnson	85.00	
		Bob Schock	90.00	
		EO Glavas	90.00	
		Richard Simmons	95.00	
		Steve Bates	100.00	
		ED Koneck	125.00	
		David Milligan	205.00	
TOTAL FROM OTHER SIDE OR ATTACHED LIST				
PLEASE RE-ENTER TOTAL HERE				
TOTAL			835.00	

Checks and other items are received for deposit subject to the provisions of the Uniform Commercial Code or any applicable collection agreement.

CEDAR WATER CO.



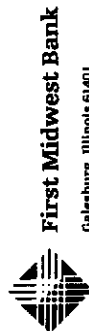
First Midwest Bank
Galesburg, Illinois 61401

DATE 10-22-99

CURRENCY	COIN	CHECKS LIST EACH SEPARATELY	DOLLARS	CENTS
		ED Peterka	15.00	
		Paula Kanthal	47.25	
		Donna Miles	50.00	
		J Johansen	55.00	
		Lance Atin	55.00	
		Rose Burand	55.00	
		Dusti Watson	60.00	
		Ken King	65.00	
		Juan Padman	68.25	
		Donni Mune	68.25	
		Bob Schock	75.00	
		Richard White	75.00	
		Luke Withwall	78.75	
		Natalie Hemmer	80.00	
		John Hufichson	80.00	
		Steve Johnson	80.00	
		Don Lovett	90.00	
		Dean Tassier	100.00	
		Fred Erickson	120.00	
		Dub Smith	126.00	
		Gary Icenogle	140.00	
		Gary Roggenkamp	180.00	
TOTAL FROM OTHER SIDE OR ATTACHED LIST				
PLEASE RE-ENTER TOTAL HERE				
TOTAL			1,763.50	

Checks and other items are received for deposit subject to the provisions of the Uniform Commercial Code or any applicable collection agreement.

CEDAR WATER CO.



First Midwest Bank
Galesburg, Illinois 61401

DATE 10-29-99

CURRENCY	COIN	CHECKS LIST EACH SEPARATELY	DOLLARS	CENTS
		Tony Zefo	35.00	
		Mrs Williamson	45.00	
		La Vonne Abel	45.00	
		Okon Packing Service	60.00	
		James Thompson	60.00	
		Paul Sandberg	65.00	
		Robert Seibert	80.00	
		Mike Gumm	85.00	
		Robt Berler	135.00	
		Beth Jacobson	25.00	
		Clude Quateman	50.00	
		Blaine Gorham	50.00	
		Byron White	55.00	
		Robt McKee	55.00	
		Richard Muegan	65.00	
		David Weyhwein	75.00	
		Ted Schooley	75.00	
		James Brown	75.00	
		ED Koneck	95.00	
		Mike Hasselbaker	95.00	
		Richard Simmons	100.00	
		GEO. GLAVAS	105.00	
		Tom Glashovich	110.00	
		Frank Rogers	115.00	
		David Milligan	135.00	
TOTAL FROM OTHER SIDE OR ATTACHED LIST				
PLEASE RE-ENTER TOTAL HERE				
TOTAL			1,905.00	

Checks and other items are received for deposit subject to the provisions of the Uniform Commercial Code or any applicable collection agreement.



ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

1021 NORTH GRAND AVE., EAST, P.O. BOX 19276, SPRINGFIELD ILLINOIS 62794-9276

THOMAS V. SKINNER, DIRECTOR

DIVISION OF PUBLIC WATER SUPPLIES
SPRINGFIELD REGIONAL OFFICE
4500 SOUTH SIXTH STREET
SPRINGFIELD, ILLINOIS 62706
TELEPHONE 217/786-6892

PUBLIC WATER SUPPLY

EVALUATION REPORT

March 10, 2000

Mr. George Swing
Breezy Oaks Subdivision
383 East Ferris Street
Galesburg, Illinois 61401

Facility Number: 0955150
CEDAR WATER COMPANY - Knox County

Dear Mr. Swing:

An engineering evaluation of the Cedar Water Company public water supply has been completed by our engineer, Steve Vance. Mr. Vance observed the operation and maintenance of the water supply facilities on February 23, 2000, at which time he contacted Mr. Bob Shull, Operator.

Based on this evaluation, we have concluded that the water supply is subject to contamination due to existing sanitary defects. In addition, deficiencies pertaining to the operation and maintenance of the water supply were also noted.

It is the opinion of this Agency that the following corrections must be made so that the Cedar Water Company water supply will be in compliance with current laws, rules, regulations, and standards governing public water supplies:

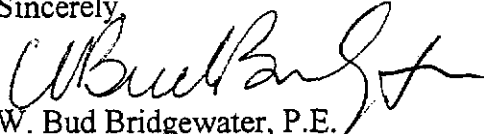
1. Replace the screens on the outside perimeter of the aerator with 24 mesh, or two staggered layers of 16 mesh, noncorrodible screen. During the June 25, 1996 Engineering Evaluation, it was noted that the water supply was in the process of replacing the screens and the majority of the aerator was open to allow dust, dirt, insects, etc. to enter the aerator and contaminate the water supply. While it appears that the screens had been replaced, additional maintenance is required to repair additional openings that have developed in the screening.

2. Establish an active cross-connection control program. This program must include:
 - a. Provisions to conduct cross-connection control surveys of the distribution system at least once every two years.
 - b. An ordinance which includes a plumbing code at least as stringent as the Illinois State Plumbing Code. A copy of the ordinance must be submitted to the Agency for review.
 - c. A record system to maintain data of inspections, reinspections, repairs, alterations, and tests of any cross-connection control devices.
 - d. Installation of Reduced Pressure Principle Backflow Preventers, or fixed air gaps at all industrial or commercial establishments handling materials which may constitute a hazard to your public water supply; i.e. ag. chemical facilities, hospitals, funeral homes, car wash establishments, etc.
3. Obtain an Operating Permit for the installation of water main installed under Construction Permit Number 0262-FY1993, titled "Breezy Oaks Subdivision". In the future, it will be expected that the Village obtain an Operating Permit prior to putting any project into service. This deficiency was noted in the previous engineering evaluation (July 22, 1996).
4. Determine the location of the existing valves and initiate a valve maintenance program whereby all valves on the distribution system are operated at least once every twelve months. This will allow operating personnel to detect defective valves and repair or replace them as needed.
5. Test the water in the distribution system for the chlorine residuals daily as required by Section 19 of the Illinois Environmental Protection Act, (415 ILCS 5/19), 35 Ill. Adm. Code 653.605 (a)(5), and report the test results on the aforementioned report forms. These tests are necessary to insure that the minimum chlorine residuals of 0.2 milligrams per liter (mg/l) free or 0.5 mg/l combined chlorine residual are maintained in all active parts of the distribution system.

This Agency would appreciate receiving a reply to this letter indicating the action that has been or will be taken to comply with the above recommendations. We wish to acknowledge the courtesy extended to our representative by Mr. Shull. If you should have any questions concerning the above recommendations, or in regard to any water supply problems which may arise, please feel free to contact this office at 4500 South Sixth Street Road, Springfield, Illinois, 62706.

Facility Number: 0955150
CEDAR WATER COMPANY - Knox County
Page 3

Sincerely,



W. Bud Bridgewater, P.E.
Manager, Field Operations Section
Division of Public Water Supplies

WBB/SEV/m(G:\BOW\DPWS\WANG\0672P)

cc: Bob Shull
ISWS
Julie Janssen, IDPH
Knox County Health Department

bcc: DPWS - Division File
DPWS - Springfield Region

(5)

Cedar Water Company, Inc.

383 E. Ferris St.
Galesburg, Illinois 61401
309-342-8157

September 19, 2000

Bud Bridgewater
Illinois Environmental Protection Agency
P.O. Box 19276
Springfield, Illinois 62794-9276

Dear Mr. Bridgewater,

We are sending our reply to your March 10, 2000 letter to remedy problems and remain in compliance.

Item 1. For some time now we have had fixed the mesh on our aerator with staggered 16 mesh non corrodible screen as you requested. This should eliminate any possibilities of sanitary defects.

Item 2. We are implementing, as an ordinance, the regulations sent to us by Steve Vance issued for mobile home parks. He was instrumental in helping us understand what you were requesting. We will be implementing the policy. We have no commercial or industrial users. There are no back flow preventers-- only 56 residential customers -- a very small well system.

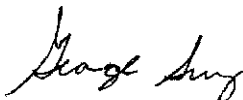
Item 3. Received your Application for Operating Permit on 9/19/00. We will be submitting it with our samples as soon as possible.

Item 4. We have a local subcontractor who maintains our well, hydrants, meters and readers. Last thorough hydrant maintenance was performed in 1999.

Item 5. Currently, we do this Monday -- Friday. We will begin testing for chlorine residuals on Saturday and Sunday also.

Call us if this does not sufficiently satisfy the requirements you mentioned.

Thank You for your patience.



George Swing
Cedar Water Company
President

EBER, HILLEMEIER and ZUCK, INC.
121 SO. PRAIRIE ST. SUITE 1
GALESBURG, IL 61401

ID COMPANY		HILLIER, INC.		LAVERDIERE CONSTRUCTION		BAILEY EXCAVATING		JOHNSON TRUCKING & BLACKTOPPING	
11/1 61462		1420 E CARROLL ST MACOMB IL 61455		4055 W JACKSON ST MACOMB IL 61455		127 N CHERRY ST GALESBURG IL 61401		1048 KELLOGG ST GILSON IL 61436	
E	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
70	37272.10	4.50	25033.50	5.00	27815.00	7.61	42313.18	3.00	16686.00
.00	25602.00	4.65	18841.55	7.50	32002.50	5.92	25260.64	5.57	23745.85
55	10098.00	3.00	11880.00	5.00	19800.00	2.84	11248.40	2.70	10892.00
.00	500.00	10.80	1080.00	8.00	800.00	10.71	1071.00	4.00	400.00
.00	3400.00	27.80	5560.00	48.00	9600.00	21.87	4374.00	13.50	2700.00
.00	3500.00	1800.00	1800.00	250.00	250.00	882.00	882.00	320.00	320.00
.00	450.00	15.50	697.50	29.00	1305.00	18.71	841.95	10.00	450.00
.00	200.00	100.00	200.00	200.00	400.00	111.44	222.88	65.00	130.00
	81022.10		65072.55		91972.50		86212.03		55126.88
20	19340.40	8.00	10896.00	13.00	17706.00	7.94	10814.28		
.00	600.00	200.00	300.00	350.00	1400.00	209.48	837.92		
.00	300.00	200.00	400.00	225.00	450.00	209.45	418.90		
.00	750.00	285.00	855.00	350.00	1050.00	236.25	708.75		
.00	1500.00	460.00	1380.00	630.00	1890.00	525.00	1575.00		
.00	3000.00	1420.00	2840.00	1850.00	3700.00	1240.26	2480.52		
.00	1800.00	1630.00	1830.00	1500.00	1500.00	1105.18	1105.18		
.00	100.00	63.00	63.00	270.00	270.00	367.50	367.50		
.00	1875.00	19.00	2375.00	16.00	200.00	14.70	1837.50		
.00	400.00	96.00	768.00	100.00	800.00	39.38	315.04		
.00	4750.00	120.00	2280.00	200.00	3600.00	110.25	2094.75		
.00	4750.00	185.00	3515.00	120.00	2280.00	110.25	2094.75		
.00	5700.00	6.50	3705.00	9.50	5415.00	2.10	1197.00		
	44865.40		31707.00		42261.00		25847.08		
125887.50		97778.55		134233.50		112095.12		55126.88	

BER, HILLEMEIER and ZUCK, INC.
 121 SO. PRAIRIE ST. SUITE 1
 GALESBURG, IL. 61401

IN, INC.				
AL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
4212.45				
4705.93				
9543.60				
660.00				
5632.00				
740.00				
647.55				
283.72				
6425.25				
4083.08				
550.00				
275.00				
440.61				
1602.60				
2666.74				
1211.31				
74.83				
2001.25				
470.00				
3816.15				
3382.57				
4138.20				
14712.34				
11137.59				

COST BREAKDOWN FOR CEDAR WATER COMPANY EXTENSION

ITEM	UNIT	QUANTITY	PRICE	TOTAL
1 6" PVC WATER MAIN	FOOT	1362	5.75	7831.50
2 6" D.I. 45° BEND	EACH	4	209.48	837.92
3 6" D.I. 22 1/2° BEND	EACH	2	209.45	418.90
4 6" X 6" D.I. TEE	EACH	3	236.25	708.75
5 6" R.W. GATE VALVE	EACH	3	525.00	1575.00
6 6" FIRE HYDRANT	EACH	2	800.47	1600.94
7 4" TAPPING VALVE & SLEEVE	EACH	1	820.45	820.45
8 4" X 6" D.I. INCREASER	EACH	1	367.50	367.50
9 TRENCH BACKFILL	C.Y.	125	14.70	1837.50
10 BITUMINOUS PATCHING, 6" THICKNESS	S.Y.	8	39.38	315.04
11 1" CURB STOP & CURB BOX	EACH	19	110.25	2094.75
12 1" CORPORATION STOP	EACH	19	110.25	2094.75
13 1" WATER SERVICE LINE	FOOT	570	2.10	1197.00
TOTAL				21700.00

QUOTATION



modern welding company of iowa, inc.

2818 MT. PLEASANT RD • BURLINGTON, IOWA 52601 • TELEPHONE: (319) 754-6577

FABRICATORS OF METAL PRODUCTS

• FAX: (319) 754-8428

E-mail = pohanlon@modweldco.com

CEDAR WATER CO.
PO BOX 1401
GALESBURG IL 61401

QUOTE NO. 8-052

DATE APR 10, 2000

ATTN: MR. DON SWING

REFERENCE YOUR INQUIRY

TERMS: 1/2% 10 DAYS, NET 10TH OF FOLLOWING MONTH.
THIS QUOTATION SUBJECT TO TERMS AND CONDITIONS LISTED ON REVERSE SIDE.

NO. _____ DATED _____

GENTLEMEN: WE THANK YOU FOR YOUR INQUIRY AND ARE PLEASED TO QUOTE AS FOLLOWS:

REFERENCE: MWCIA DRAWING 8-3157

1-96'' OD X 19'-8'' T/T ASME CERTIFIED HYDROPNEUMATIC PRESSURE TANK
FABRICATED IN ACCORDANCE WITH SECTION VIII DIVISION I OF THE ASME PRESSURE
VESSEL CODE. TANK TO BE LABELED WITH THE "U" SYMBOL OF THE ASME CODE. TANK
FABRICATED IN ACCORDANCE WITH THE ABOVE REFERENCED DRAWING.

YOUR COST \$ 16,599.00 EACH TANK. (Freight price is included)

ALTERNATE # 1 STEEL SADDLES

2-MFG STEEL SADDLES WELDED TO TANK SHELL NEAR EACH END FOR 6'' HIGH ELEVATION

YOUR COST \$ 950.00 TOTAL 2 SADDLES

ALTERNATE # 2 SIGHT GLASS.

1-BEP 6155 LIQUID LEVEL SIGHT GLASS ASSEMBLY WITH SHUT OFF VALVES.

YOUR COST \$ 250.00 TOTAL

CASH TERMS.....1/2% 10 DAYS, NET 10th OF THE FOLLOWING MONTH.

PAYMENT IS EXPECTED BASED UPON THE DATE OF OUR INVOICE.

DRAWINGS.....ALLOW 1 WEEKS TIME FOR MODERN WELDING CO. OF IOWA

TO PROVIDE SUBMITTAL FABRICATION DRAWINGS FOR APPROVAL.

TRANSPORTATION....MODERN WELDING CO. OF IOWA TRUCK. UNLOADING BY OTHERS.

*tank with alternates #1 & #2 \$ 17,799
plus anticipated setup costs \$ 2,201
\$ 20,000*

F.O.B. KNOXVILLE AREA JOBSITE

DELIVERY 6 Weeks or less after drawing approval.

ACCEPTANCE: This quotation valid for 30 days.

MODERN WELDING COMPANY OF IOWA, INC.

MANAGER SPECIAL SHOP

PATRICK D. O'HANLON

TAXES: This quotation does _____ does not XXX
include applicable federal or state taxes.

BY: *Patrick D. O'Hanlon*

Quote #2

QUOTATION



modern welding company of owensboro, inc.
1450 East Parrish Avenue, Owensboro, Kentucky 42303
Phone: 270-683-5323 Fax: 270-684-5245

Fabricators of Metal Products

Terms: 1/2% 10 Days, Net 10th of
Following Month.

ATTN GEORGE SWING
CEDAR WATER COMPANY
383 E FARRIS
GALESBURG IL 61401

Quote No: 1-35715

Date: April 25, 2000

Reference your Inquiry: PHONE

One (1) 8'0" OD x 22'0" T/T, horizontal tank referenced to inquiry data. Includes one (1) 12" x 16" elliptical manway, two (2) 4" flanged openings, one (1) 1/2" coupling, two (2) 3/4" couplings, three (3) 2" couplings and two (2) 6" high saddles. Fabricated to ASME Section VIII, Division 1 and code stamped.

Estimated Wt 12,988# Ea.

Price ... \$24,162.00 Ea.

F.O.B. Owensboro Ky Plant - estimated freight to Galesburg, Illinois \$1,000.00.

Design criteria:

Internal Pressure: 100 PSIG
External Pressure: None
Design Temperature: 32 Deg F/400 Deg F
Corrosion Allowance: None
Radiograph: Spot

Specific gravity: 1.0
Stress relieve: No
Wind Load: None
Seismic zone: None
Lethal Service: No

Material Specifications:

Heads: SA-516-70, 2:1 elliptical, .375" min. thick
Shell: SA-516-70, .375" nom. thick
Forgings: SA-105, 150# RFSO, ANSI
Couplings: SA-105, 3000#
Pipe: SA-106-B
Bolting: None
Gaskets: None

Sandblasting and Painting:

Int: 2 coats epoxy
Ext: 1 coat prime, short term corrosion protection only.

Cedar Water Company, Inc.

383 E. Ferris St.
Galesburg, Illinois 61401
309-342-1088

Illinois Commerce Commission
Hearing for Lawndale Meadows

ITEMS # 9 & # 10

Attached is a copy of our Water Supply Agreement.

Reimbursement is outlined in Section 2.1

In drafting the Water Supply Agreement with the Developer we tried to follow guidelines specified in Section 600. Cedar Water has small revenues and cannot carry large debt. Therefore it was necessary to use the developer's money.

ITEM # 9

The developer is willing to contribute the money necessary for water expansion to his subdivision. In addition, the Developer is willing to wait to receive revenues until the 10th home is established to allow the water company to gain capital money for the proposed expansion tank

ITEM #10

Revenues from Lawndale Meadows subdivision will repay contributions of the developer. Cedar Water's operating costs will increase a little, but not much, the existing revenues therefore, should keep the financial condition of the water company stable and able to operate.

WATER SUPPLY AGREEMENT

This Water Supply Agreement is dated as of June 20, 2000 between Nathaniel Group, LLC ("Developer") and Cedar Water Co., Inc. ("Utility").

Background

Developer proposes to develop a residential subdivision of approximately 17 lots (the "Project") on the real estate described on Exhibit A attached hereto and made a part hereof (the "Project Site"). Utility is a public utility regulated by the Illinois Commerce Commission ("ICC") that currently provides residential water service in areas near the Project Site. The parties have agreed that Utility shall provide water service to the Project, and wish to enter into this Agreement to provide for extension of infrastructure to the Project Site, payment of the cost of said extension and ICC approval of the proposed arrangements.

Agreement

1. Extension of Infrastructure.

1.1 Connection to Project Site. The Utility shall construct water distribution infrastructure (the "Improvements") necessary to extend water service from Utility's current system to the individual lots within the Project Site. The Improvements shall be constructed pursuant to the plans and specifications prepared by Weber, Hillemeier & Zuck dated April 30, 1999, and approved by ICC and the Illinois Environmental Protection Agency ("IEPA"). No amendments or change orders may be made to the Contract without the approval of Developer. Roadway excavation and drainage excavation shall be completed prior to the construction of the Improvements. Notwithstanding the foregoing, the Improvements shall be completed within 120 days of the date of the Developer's payment described in Section 1.1.1 below.

1.1.1 Payment of Cost. Developer shall contribute to Utility \$21,700 toward the cost of the Improvements. Said payments shall be made within 30 days after Utility delivers an invoice for said amount to Developer and Utility shall commence construction of the Improvements within 30 days after the date of said payment. Notwithstanding the foregoing, the Improvements shall be completed within 120 days of the date of the Developer's payment.

1.2 Increase in Service Capacity. Utility shall increase the service capacity of its system to 327 persons by December 31, 2002.

1.2.1 Payment of Cost. Developer shall contribute to Utility \$10,000 toward the cost of the increase in service capacity. Said payment shall be made within 30 days after Utility delivers an invoice for said amount to Developer, and Utility shall begin the increase in service capacity within 120 days after the date of said payment.

1.3 Ownership. The Improvements shall be owned by Utility, and Utility shall be responsible for obtaining any necessary easements, performing all necessary maintenance and repairs and all other aspects of the system. Developer shall grant to Utility appropriate and necessary easements within the Project Site.

2. Reimbursement.

2.1 Reimbursement. Utility shall reimburse to Developer the entire amount of the costs and contribution paid by Developer under Sections 1.1.1 and 1.2.1 of this Agreement, without interest, beginning with the first calendar quarter after the tenth (10th) home in the Project connects to the Utility's water system and continuing for ten (10) years, or, if sooner, until fully repaid. Payments shall be due on the first day of the second month of each subsequent calendar quarter, in the amount of 75% of gross sales collected during the previous calendar quarter from the Project.

2.2 Inspection of Books and Records. Developer shall have the right to inspect the books and records of Utility to verify the calculation of the payment amount.

3. ICC Approval. The parties acknowledge that this Agreement, and the activities provided for in this Agreement, are subject to the approval of ICC and IEPA. In the event that either ICC or IEPA does not approve this Agreement or any aspect of the subject matter of this Agreement, this contract shall terminate.

4. Miscellaneous. It is further understood and agreed as follows:

Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original, and such counterparts together shall constitute one and the same instrument.

Survival. The representations, warranties, covenants and agreements contained in this Agreement shall survive the Closing and the delivery of the deed without limitation.

Severability. If any provision of this Agreement shall be held to be void or unenforceable for any reason, the remaining terms and provisions hereof shall not be affected thereby.

Time. Time is of the essence of this Agreement.

Binding Effect. The provisions of this Agreement shall inure to the benefit of and bind the successors and assigns of the parties hereto.

Amendment and Waiver. This Agreement may be amended at any time in any respect only by an instrument in writing executed by the parties. Either party may waive any requirement to be performed by the other hereunder, provided that said waiver shall be in writing and executed by the party waiving the requirement.

Integrated Agreement. This Agreement constitutes the entire agreement between the parties relating to the subject matter hereof, and there are no agreements, understandings, restrictions, warranties or representations between the parties other than those set forth herein.

Choice of Law. It is the intention of the parties that the laws of Illinois shall govern the validity of this Agreement, the construction of its terms and interpretation of the rights and duties of the parties.

Notices. All notices, requests, consents and other communications required or permitted under this Agreement shall be in writing (including telex and telegraphic communication) and shall be (as elected by the person giving such notice) hand delivered by messenger or courier service, telecommunicated, or mailed (airmail if international) by registered or certified mail (postage prepaid), return receipt requested, addressed to:

If to the Seller:

Cedar Water Co., Inc.
383 East Ferris
Galesburg, IL 61401
Attn: George Swing

If to the Purchaser:

Nathaniel Group, LLC
7131 North Knoxville Avenue
Peoria, IL 61614
Attn: Richard Walsh

or to such other address as any party may designate by notice complying with the terms of this paragraph. Each such notice shall be deemed delivered (a) on the date delivered if by personal delivery; (b) on the date of transmission with confirmed answer back if by telex, telefax or other telegraphic method; and (c) on the date upon which the return receipt is signed or delivery is refused or the notice is designated by the postal authorities as not deliverable, as the case may be, if mailed.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date first written above.

CEDAR WATER CO., INC.

NATHANIEL GROUP, LLC

By: George R. Swing
Its: Pres.

By: Richard T. Walsh
Its: President